



September 30, 1996
MFN 154-96

General Electric Company
175 Curtner Avenue, San Jose, CA 95125

U.S. Nuclear Regulatory Commission
Mail Stop 14 H25
Washington, DC 20555-001
Attention: Kahtan Jabbour

SUBJECT: Supplemental Information Related to GE Licensing Topical Report, NEDC-32410P, Supplement 1, Nuclear Measurement Analysis and Control Power Range Neutron Monitor (NUMAC PRNM) Retrofit Plus Option III Stability Trip Function

REFERENCE: 1. Letter Dated May 24, 1996, D. W. Reigel to K. Jabbour, "Submittal of GE Licensing Topical Report, NEDC-32410P, Supplement 1 ..." [NRC TAC No. M95746]

This letter is provided to clarify several points that were raised during NRC/GE discussions regarding the review of the subject Licensing Topical Report (LTR), Supplement 1, submitted with Reference 1. The attached supplemental information is provided to respond to the discussion items and is provided in the form of planned revisions to the LTR. Included herein is a summary of the changes as well as copies of the LTR pages with the revised text for all the substantive changes. These text revisions will be included in the next revision of NEDC-32410P, Supplement 1.

As stated in Reference 1, the report contains information which GE-NE customarily maintains in confidence and withholds from public disclosure. Some of the revised pages included herein revise or expand on that information. The pages are marked in the same manner as the original report.

The attached affidavit identifies that the designated information has been handled and classified as proprietary to GE-NE. GE-NE hereby requests that the designated information be withheld from public disclosure in accordance with the provisions of 10 CFR 2.790.

If you have any questions about this submittal please contact me.

030034

9610030309 960930
PDR TOPRP EMVGENE
C PDR

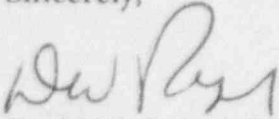
RD-8-2 G.E.

1007,11 Add: Kahtan Jabbour
014H-25

He End
1 1

Mr. Kahtan Jabbour
September 30, 1996
Page 2

Sincerely,



David W. Reigel, Project Manager
Generic NUMAC PRNM Licensing
Tel: (408) 925-2094; Fax: (408) 925-2923

Attachments: 1. Affidavit, George B. Stramback, dated September 30, 1996.
 2. Summary of proposed changes to NEDC-32410P, Supplement 1
 (3 copies).
 3. Revised pages for NEDC-32410P, Supplement 1, May 1996 (3
 copies). (Containing text changes summarized in Attachment 2)

cc: G. B. Stramback (GE)
 M. E. Waterman (NRC)

General Electric Company

AFFIDAVIT

I, **George B. Stramback**, being duly sworn, depose and state as follows:

- (1) I am Project Manager, Licensing Services, General Electric Company ("GE") and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld is contained in the attachments to GE letter MFN 154-96, David W. Reigel to Kahtan Jabbour, *Supplemental Information Related to GE Licensing Topical Report, NEDC-32410P, Supplement 1, Nuclear Measurement Analysis and Control Power Range Neutron Monitor (NUMAC PRNM) Retrofit Plus Option III Stability Trip Function*, dated September 30, 1996. The proprietary information in the attachments is delineated by thick side bars marked in the margin adjacent to the specific material.
- (3) In making this application for withholding of proprietary information of which it is the owner, GE relies upon the exemption from disclosure set forth in the Freedom of Information Act ("FOIA"), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), 2.790(a)(4), and 2.790(d)(1) for "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (Exemption 4). The material for which exemption from disclosure is here sought is all "confidential commercial information", and some portions also qualify under the narrower definition of "trade secret", within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).
- (4) Some examples of categories of information which fit into the definition of proprietary information are:
 - a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by General Electric's competitors without license from General Electric constitutes a competitive economic advantage over other companies;

- b. Information which, if used by a competitor, would reduce his expenditure of resources or improve his competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing of a similar product;
- c. Information which reveals cost or price information, production capacities, budget levels, or commercial strategies of General Electric, its customers, or its suppliers;
- d. Information which reveals aspects of past, present, or future General Electric customer-funded development plans and programs, of potential commercial value to General Electric;
- e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in both paragraphs (4)a., (4)b. and (4)e., above.

- (5) The information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GE, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GE, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (6) and (7) following.
- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within GE is limited on a "need to know" basis.
- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, by the manager of the cognizant marketing function (or his delegate), and by the Legal Operation, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside GE are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.
- (8) The information identified in paragraph (2), above, is classified as proprietary because it contains details of the NUMAC hardware design and solutions to

application requirements for PRNM, Option III stability trip function, and logic changes, utilizing methods and processes, including software and computer codes, which GE has developed. The proprietary base report and supplement 1 were previously provided under cover of an affidavit to the NRC as NEDC 32410P-A, *Nuclear Measurement Analysis and Control Power Range Neutron Monitor (NUMAC PRNM) Retrofit Plus Option III Stability Trip Function Volumes 1 and 2*, dated October 1995, and NEDC 32410P, Supplement 1, *Nuclear Measurement Analysis and Control Power Range Neutron Monitor (NUMAC PRNM) Retrofit Plus Option III Stability Trip Function*, dated May 1996.

The development and approval of the NUMAC hardware and software was achieved at a significant cost, on the order of a few million dollars, to GE.

The development of the evaluation process along with the interpretation and application of the results is derived from the extensive experience base that constitutes a major GE asset.

- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GE's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GE's comprehensive BWR safety and technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical methodology and includes development of the expertise to determine and apply the appropriate evaluation process. In addition, the technology base includes the value derived from providing analyses done with NRC-approved methods.

The research, development, engineering, analytical and NRC review costs comprise a substantial investment of time and money by GE.

The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

GE's competitive advantage will be lost if its competitors are able to use the results of the GE experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of this information to GE would be lost if the information were disclosed to the public. Making such information available to competitors without their having been required to undertake a similar expenditure of resources would unfairly provide competitors with a windfall, and deprive GE of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing these very valuable analytical tools.

STATE OF CALIFORNIA)
) ss:
COUNTY OF SANTA CLARA)

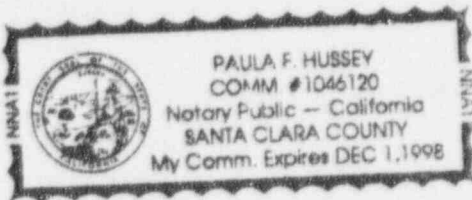
George B. Stramback, being duly sworn, deposes and says:

That he has read the foregoing affidavit and the matters stated therein are true and correct to the best of his knowledge, information, and belief.

Executed at San Jose, California, this 30th day of September 1996.

George B. Stramback
George B. Stramback
General Electric Company

Subscribed and sworn before me this 30th day of September 1996.



Paula F. Hussey
Notary Public, State of California